

**SENATE, No. 1943**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

INTRODUCED FEBRUARY 25, 2020

**Sponsored by:**

**Senator NIA H. GILL**

**District 34 (Essex and Passaic)**

**SYNOPSIS**

Prohibits certain discrimination by automated decision systems.

**CURRENT VERSION OF TEXT**

As introduced.



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1 AN ACT concerning discrimination and automated decision systems  
2 and supplementing P.L.1945, c.169 (C.10:5-1 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. As used in this act:

8 “Automated decision system” means a computational process,  
9 including one derived from machine learning, statistics, or other  
10 data processing or artificial intelligence techniques, that makes a  
11 decision or facilitates human decision making.

12 “Health care provider” means an individual or entity, which,  
13 acting within the scope of its licensure or certification, provides  
14 health care services, and includes, but is not limited to, a physician,  
15 dentist, nurse, or other health care professional whose professional  
16 practice is regulated pursuant to Title 45 of the Revised Statutes,  
17 and a health care facility licensed pursuant to P.L.1971, c.136  
18 (C.26:2H-1 et seq.).

19 “Member of a protected class” means an individual who has one  
20 or more characteristics, including race, creed, color, national origin,  
21 nationality, ancestry, age, marital status, civil union status, domestic  
22 partnership status, affectional or sexual orientation, genetic  
23 information, pregnancy, sex, gender identity or expression,  
24 disability or atypical hereditary cellular or blood trait of any  
25 individual, or liability for service in the armed forces, for which the  
26 individual is provided protections against discriminatory practices  
27 pursuant to section 11 of P.L.1945, c.169 (C.10:5-12).

28

29 2. A person, bank, banking organization, credit reporting  
30 agency, mortgage company, or other financial institution, lender or  
31 credit institution involved in the making or purchasing of any loan  
32 or extension of credit shall not discriminate through the use of an  
33 automated decision system against any person or group of persons  
34 who is a member of a protected class.

35 An automated decision system shall be discriminatory pursuant  
36 to this section if the system selects individuals who are members of  
37 a protected class for participation or eligibility for granting,  
38 withholding, extending, modifying, renewing, or purchasing, or in  
39 the fixing of the rates, terms, conditions or provisions of any loan,  
40 extension of credit or financial assistance, at a rate that is  
41 disproportionate to the rate at which the system selects individuals  
42 who are not members of the protected class.

43

44 3. An insurance company licensed, registered, or otherwise  
45 authorized to do business under the laws of this State shall not  
46 discriminate through the use of an automated decision system  
47 against any person or group of persons who is a member of a  
48 protected class.

1 An automated decision system shall be discriminatory pursuant  
2 to this section if the system selects individuals who are members of  
3 a protected class for participation or eligibility for insurance or  
4 continuance of insurance, limiting the amount, extent, or kind of  
5 insurance coverage, or charging a different rate for the same  
6 insurance coverage, at a rate that is disproportionate to the rate at  
7 which the system selects individuals who are not members of the  
8 protected class.

9  
10 4. A health care provider shall not discriminate through the use  
11 of an automated decision system against any person or group of  
12 persons who is a member of a protected class.

13 An automated decision system shall be discriminatory pursuant  
14 to this section if the system selects individuals who are members of  
15 a protected class for participation or eligibility for health care  
16 services at a rate that is disproportionate to the rate at which the  
17 system selects individuals who are not members of the protected  
18 class.

19  
20 5. A violation of this act shall be unlawful discrimination and a  
21 violation of section 11 of P.L.1945, c.169 (C.10:5-12).

22  
23 6. This act shall take effect on the first day of the third month  
24 next following enactment.

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27 STATEMENT

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29 This bill provides that it is unlawful discrimination and a  
30 violation of the law against discrimination for an automated  
31 decision system to discriminate against any person or group of  
32 persons who is a member of a protected class in:

33 (1) the granting, withholding, extending, modifying, renewing,  
34 or purchasing, or in the fixing of the rates, terms, conditions or  
35 provisions of any loan, extension of credit or financial assistance;

36 (2) refusing to insure or continuing to insure, limiting the  
37 amount, extent or kind of insurance coverage, or charging a  
38 different rate for the same insurance coverage provided to persons  
39 who are not members of the protected class; or

40 (3) the provision of health care services.

41 Under the bill, “automated decision system” means a  
42 computational process, including one derived from machine  
43 learning, statistics, or other data processing or artificial intelligence  
44 techniques, that makes a decision or facilitates human decision  
45 making.

46 An automated decision system is discriminatory if the system  
47 selects individuals who are members of a protected class for  
48 participation or eligibility for services at a rate that is

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1 disproportionate to the rate at which the system selects individuals  
2 who are not members of the protected class.

3 As used in the bill, a "member of a protected class" is an  
4 individual who has one or more characteristics, including race,  
5 creed, color, national origin, nationality, ancestry, age, marital  
6 status, civil union status, domestic partnership status, affectional or  
7 sexual orientation, genetic information, pregnancy, sex, gender  
8 identity or expression, disability or atypical hereditary cellular or  
9 blood trait of any individual, or liability for service in the armed  
10 forces, for which the individual is provided protections against  
11 discriminatory practices pursuant to section 11 of P.L.1945, c.169  
12 (C.10:5-12).